

**AMENDMENT IN THE NATURE OF A SUBSTITUTE
TO H.R. 2842
OFFERED BY MR. BRADY OF TEXAS**

Strike all after the enacting clause and insert the following:

1 SECTION 1. SHORT TITLE.

2 This Act may be cited as the “Accelerating Individ-
3 uals into the Workforce Act”.

**4 SEC. 2. DEMONSTRATION PROJECTS TO SUPPORT SUB-
5 SIDIZED EMPLOYMENT FOR TANF RECIPI-
6 ENTS TO ENTER THE WORKFORCE.**

7 Section 403 of the Social Security Act (42 U.S.C.
8 603) is amended by adding at the end the following:

9 “(c) SUBSIDIZED EMPLOYMENT DEMONSTRATION
10 PROJECTS.—

11 “(1) IN GENERAL.—The Secretary shall make
12 grants to States to conduct demonstration projects
13 designed to implement and evaluate strategies that
14 provide wage subsidies to enable low-income individ-
15 uals to enter into and retain employment.

16 “(2) APPLICATION REQUIREMENTS.—The Sec-
17 retary shall require each State that applies for a
18 grant under this subsection to do the following:

1 “(A) Describe how wage subsidies will be
2 provided (such as whether paid directly to the
3 employer or the individual), the duration of the
4 subsidies, the amount of the subsidies, the
5 structure of the subsidies, and how employers
6 will be recruited to participate in the subsidized
7 employment program.

8 “(B) Describe how the State expects those
9 participating in subsidized employment to be
10 able to retain employment after the subsidy
11 ends.

12 “(C) Describe how the State will coordi-
13 nate subsidized employment funded under this
14 subsection with other efforts to help low-income
15 individuals enter work as conducted by the
16 State.

17 “(3) USE OF FUNDS.—

18 “(A) IN GENERAL.—A State to which a
19 grant is made under this subsection may use
20 the grant to subsidize the wages of an eligible
21 recipient for a period not exceeding 12 months,
22 and only to the extent that the total of the
23 funds paid under this project and any other
24 Federal funds so used with respect to the re-
25 cipient does not exceed 50 percent of the

1 amount of the wages received by the recipient
2 during the period.

3 “(B) ELIGIBLE RECIPIENT.—For purposes
4 of subparagraph (A), an eligible recipient is—

5 “(i)(I) a recipient of assistance under
6 the State program funded under this part
7 or any other State program funded with
8 qualified State expenditures (as defined in
9 section 409(a)(7)(B)(i)); or

10 “(II) a noncustodial parent of a minor
11 child who is receiving assistance referred to
12 in subclause (I);

13 “(ii) who, at the time the subsidy be-
14 gins, is unemployed; and

15 “(iii) whose income, at that time, is
16 less than 200 percent of the poverty line
17 (as defined by the Office of Management
18 and Budget, and revised annually in ac-
19 cordance with section 673(2) of the Omni-
20 bus Budget Reconciliation Act of 1981 (42
21 U.S.C. 9902(2))).

22 “(4) LIMITATIONS.—

23 “(A) NONDISPLACEMENT.—A State to
24 which a grant is made under this subsection
25 shall ensure that no participant in a subsidized

1 job program funded in whole or in part under
2 this subsection is employed or assigned to a job
3 under the program—

4 “(i) when any other individual is on
5 layoff from the same or any substantially
6 equivalent job; or

7 “(ii) if the employer has terminated
8 the employment of any regular employee or
9 otherwise caused an involuntary reduction
10 of its workforce in order to fill the vacancy
11 so created with an adult described in para-
12 graph (1).

13 “(B) GRIEVANCE PROCEDURE.—A State
14 with a program funded under this subsection
15 shall establish and maintain a grievance proce-
16 dure for resolving complaints of alleged viola-
17 tions of subparagraph (A).

18 “(C) NO PREEMPTION.—Nothing in this
19 paragraph shall preempt or supersede any pro-
20 vision of State or local law that provides greater
21 protection for employees from displacement.

22 “(5) REPORTS.—As a condition of receiving
23 funds under this subsection for a fiscal year, a State
24 shall submit to the Secretary, within 6 months after
25 the end of the fiscal year, a report that—

1 “(A) specifies, for each month of the fiscal
2 year, the number of individuals whose employ-
3 ment is subsidized with these funds;

4 “(B) describes the structure of the State
5 activities to use the funds to subsidize employ-
6 ment, including the amount and duration of the
7 subsidies provided;

8 “(C) specifies the percentage of eligible re-
9 cipients who received a subsidy who are in un-
10 subsidized employment during the second quar-
11 ter after the subsidy ended;

12 “(D) specifies the percentage of eligible re-
13 cipients who received a subsidy who are in un-
14 subsidized employment during the fourth quar-
15 ter after the subsidy ended; and

16 “(E) specifies the median earnings of eligi-
17 ble recipients who received a subsidy who are in
18 unsubsidized employment during the second
19 quarter after the subsidy ended.

20 “(6) EVALUATION.—The Secretary, in consulta-
21 tion with each State conducting a demonstration
22 project, shall conduct a high-quality evaluation of
23 the demonstration project, and may reserve funds
24 made available under this subsection to conduct the
25 evaluation in accordance with the following:

1 “(A) EVALUATOR QUALIFICATIONS.—The
2 Secretary may not enter into a contract with an
3 evaluator unless the evaluator has demonstrated
4 experience in conducting rigorous evaluations of
5 program effectiveness including, where available
6 and appropriate, well-implemented randomized
7 controlled trials.

8 “(B) METHODOLOGIES TO BE USED.—The
9 evaluation of a demonstration project shall use
10 experimental designs using random assignment
11 or other reliable, evidence-based research meth-
12 odologies that allow for the strongest possible
13 causal inferences when random assignment is
14 not feasible.

15 “(C) PUBLIC DISCLOSURE.—The Secretary
16 shall publish the results of the evaluation on the
17 website of the Department of Health and
18 Human Services in a location easily accessible
19 by the public.

20 “(7) RECOMMENDATIONS TO CONGRESS.—The
21 Secretary shall submit recommendations to the Com-
22 mittee on Ways and Means of the House of Rep-
23 resentatives and the Committee on Finance of the
24 Senate on how to increase the employment, reten-
25 tion, and advancement of individuals currently or

1 formerly receiving assistance under a State program
2 funded under this part or any other State program
3 funded with qualified State expenditures (as defined
4 in section 409(a)(7)(B)(i)).

5 “(8) FUNDING.—Of the amounts made avail-
6 able to carry out subsection (b) for fiscal year 2018,
7 the Secretary shall reserve \$100,000,000 to carry
8 out this subsection.

9 “(9) USE OF CERTAIN FUNDS FOR CAREER
10 PATHWAY PROGRAMS.—The Secretary shall use 15
11 percent of the amounts reserved to carry out this
12 subsection, to fund programs that offer career path-
13 way (as defined in section 3(7) of the Workforce In-
14 novation and Opportunity Act) services.

15 “(10) AVAILABILITY OF FUNDS.—Funds pro-
16 vided to a State under this subsection in a fiscal
17 year shall be expended by the State in the fiscal year
18 or in the succeeding fiscal year.”.

19 **SEC. 3. EFFECTIVE DATE.**

20 The amendment made by this Act shall take effect
21 on October 1, 2017.

